



The President's Daily Brief

February 3, 1975

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FOR THE PRESIDENT ONLY

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ETHIOPIA

Government forces remain in firm control of Asmara, capital of Eritrea Province, following a weekend of hit-and-run attacks on their positions by insurgents.

The past two days have been marked by sporadic and often intense firing. Some of it may have been aimed at the rebels, but troops also fired indiscriminately at buildings and civilians.

The army has conducted house-to-house searches for arms and insurgents, and has arrested a large number of Eritreans, some of whom will probably be held as hostages. The army was ordered back to its barracks last night, probably as a result of looting by soldiers, and the police have assumed responsibility for the city's security.

On Saturday, troops attacked rebel positions in at least five villages west of Asmara. The fighting, heavy in some of these engagements, continued yesterday. Air force planes have flown numerous sorties and reportedly have bombed several villages. One plane was downed by rebel fire.

There have been no casualties among the approximately 400 US citizens in Eritrea, but the consulate was hit by small-arms fire yesterday. A company of paratrooper reinforcements is on its way to Asmara from Addis Ababa.

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PORTUGAL

Government spokesmen have denied reports that the USSR has asked for port facilities for its Atlantic fishing fleet. Some fragmentary evidence exists, however, suggesting that the subject was explored by Moscow and Lisbon late last year.

Our embassy in Lisbon has learned that the source of the story is a Portuguese diplomat stationed in Moscow who recently visited home. According to him, an agreement was arranged in Moscow with Mario Ruivo, Portugal's secretary of state for fisheries. Ruivo has been associated with a Communist-front organization and may have been in the Soviet Union in December. An aide from Ruivo's office issued a denial, however, and our ambassador has not been able to get any answers from a high-level official.

Leftist elements in Portugal have become increasingly assertive in recent weeks. Some of their actions have been in defiance of the Armed Forces Movement, whose authority up to now had been unchallenged.

We continue to believe that the majority of the Movement's members are moderates, but they may be having difficulty deciding where to stop the country's gradual drift to the left. Part of their indecision may be because they are more anti-fascist than anti-communist and react to anything that smacks of a return of the old regime.

Should the Communists and other radical groups go too far, however, these moderates, combined with the conservatives elsewhere in the armed forces, may be galvanized into unified action. The prospect of violence, in fact, may have prompted the Interior Ministry's appeal yesterday for veterans returning from the colonial wars to turn in their weapons.

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CYPRUS

Tensions increased in Cyprus over the weekend as Greek and Turkish forces exchanged heavy gunfire on both Friday and Saturday. The two sides have also leveled new charges against each other for bad faith in the intercommunal talks.

The clashes, described by the US embassy in Nicosia as the most serious in several months, began on Friday in northwest Cyprus. Heavy gunfire lasted for about thirty minutes. Heavy firing occurred on Saturday near Nicosia airport and spread to the UN-patrolled "green line" which separates Greek and Turkish forces in Nicosia. There is no information on who initiated the shooting on Friday, but UN officials are "reasonably certain" that Turkish forces started the two-hour exchange on Saturday. The UN officials eventually arranged a cease-fire, but the situation is tense and more clashes could occur.

The clashes came amidst Greek and Greek Cypriot charges that the intercommunal talks had made no progress because of Turkish intransigence and delaying tactics. Turkish and Turkish Cypriot officials have embarked on a last-minute campaign to show that some progress had been made despite the inflexibility of the Greek side.

In fact, the negotiators made no progress in their six meetings on substantive political issues last month. They will have a final chance today before the scheduled suspension of US military aid to Turkey on Wednesday. The lack of progress appears to be the result of Turkish reluctance to make concessions and Greek unwillingness to accept token gestures which might give the talks an appearance of progress and lead to an extension of the cutoff date.

If US military aid to Turkey continues after Wednesday, Greek Cypriot students reportedly intend to organize mass anti-American demonstrations. Last month, Greek Cypriot demonstrators damaged the US embassy and the USIS library.

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Ankara may also come under increasing pressure from the Soviets to soften its stance on Cyprus.



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NOTES

French President Giscard and West German Chancellor Schmidt will be talking almost exclusively about EC issues when they meet in Paris today and tomorrow for their semi-annual summit.

Much of their discussion will center on the possibility of UK withdrawal from the community, should the British electorate vote in June to leave the organization. Chancellor Schmidt intends to carry out his pledge to Prime Minister Wilson to get the UK better terms for EC membership, but he is concerned about the financial cost these terms will impose on West Germany. The French are willing to sweeten the pot, but Giscard doubts this will have much impact on the British voters.

* * *

Thailand's Democrat and Social Agrarian parties announced today they would try to form a minority government, and a number of small parties pledged their support.

Earlier negotiations between the moderate Democrat Party and the conservative Thai Nation Party apparently faltered over who would gain the powerful minister of interior portfolio. Democrat Party leader Prince Seni, 69, was Thailand's prime minister briefly at the end of the World War II. The national assembly meets on Thursday to elect its speaker, who will nominate the new prime minister. According to Prince Seni, the budget bill is likely to be the first test for the minority government. He said he will call for new elections if the assembly fails to approve the bill.

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